

THE STATE OF NEW HAMPSHIRE

SUPREME COURT

In Case No. 2003-0642, Edward L. Hahn v. Cohas Brook Associates & a., the court on October 15, 2004, issued the following order:

The defendants, Justin Bielagus, Karl Norwood and John Bielagus, principals of Cohas Brook Associates, appeal a finding by the trial court that they owe Edward L. Hahn \$40,524.48 plus interest. They contend that the trial court misconstrued various agreements and stipulations and erred in allowing substitution of Hahn for the original plaintiff corporation (corporation). We affirm.

The proper interpretation of an agreement is ultimately a question of law; we therefore review the trial court's interpretation of the agreement *de novo*. See Royal Oak Realty Trust v. Mordita Realty Trust, 146 N.H. 578, 581 (2001). "When interpreting a written agreement, we give the language used by the parties its reasonable meaning, considering the circumstances and the context in which the agreement was negotiated, and reading the document as a whole." *Id.*

In this case, the defendants and the corporation executed a settlement agreement in 1995 under which the defendants agreed to pay \$55,000 to the corporation in twelve quarterly installments. The agreement was amended by court order in 1996; the settlement amount remained \$55,000. Counsel for the corporation and the Internal Revenue Service (IRS) subsequently executed a stipulation. In 1997, the defendants and the corporation executed an agreement reducing the amount of the installment payments and requiring that they be made on a monthly basis. The amount to be paid to counsel for the corporation was also reduced.

The defendants argue that the stipulation and the 1997 agreement reduced the 1995 settlement amount. We disagree. The stipulation between counsel for the corporation and the IRS did not address the amount of the settlement but instead provided that the first four installments were to be paid to counsel and the remainder "are subject to the United States federal tax liens against the property of the plaintiff" and that payments should be made to the IRS "until such time as the levy is released." The 1997 agreement executed by the defendants and the corporation referred to the "outstanding judgment" but contains no language providing for a modification of the amount of the judgment. The language that modified the payments due to counsel for the corporation did not use the words "outstanding judgment." We therefore conclude that the agreement did not modify the amount of the judgment.

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The defendants also contend that the trial court erred in granting the corporation's motion to substitute Edward Hahn as plaintiff because the corporation had been dissolved. Assuming without deciding that the defendants have standing to raise this issue and that the dissolution predated the corporation's assignment of its rights in the action to Hahn, we disagree that the trial court erred. Cf. RSA 293-A:14.21 (b) (1999) (amended 1999) (dissolved corporation may carry on as necessary to wind up and liquidate business). In this case, the trial court had evidence that Hahn was the sole stockholder of the corporation and had paid the IRS on behalf of the corporation and that the corporation had assigned its interest in the lawsuit to Hahn in 1996. Accordingly, we find no error.

Affirmed.

DALIANIS, DUGGAN and GALWAY, JJ., concurred.

**Eileen Fox,
Clerk**

Distribution:

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